

NEWS RELEASE

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DeNUCCI SAYS STATE SHOULD REVIEW ADEQUACY OF FEES

State Auditor Joe DeNucci reported today that most state agencies are not complying with state laws and regulations requiring annual reviews of the adequacy of fees they charge for various services, permits, licenses and inspections.

DeNucci, in an audit of 43 state agencies that charge \$637 million in annual fees, said only seven of the 43 agencies performed yearly reviews of their fees over an 11-year period as required by state laws and regulations. As a result, DeNucci said, the fees charged by many of these agencies may not be sufficient to defray the cost of the services associated with the fees.

“I understand that raising fees during these difficult economic times is a hard decision for state agencies,” said DeNucci. “However, state law requires agencies to review their fees each year to make sure that the users of these services are funding the actual cost.”

While DeNucci said it is up to the administration and the agencies to decide whether fees should be increased, he noted that even an increase of only 5 percent in fees would generate an additional \$32 million per year in non-tax revenue for the Commonwealth.

The seven agencies that have performed periodic reviews of their fees are the Department of Revenue, Division of Occupational Safety, Department of Environmental Management, Registry of Motor Vehicles, Board of Registration of Hearing Instrument Specialists, Board of Registration of Waste Site Cleanup Professionals, and the Metropolitan District Commission.

DeNucci noted that the state budget for Fiscal Year 2003 increased numerous fees for services charged by 12 agencies.

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